Honolulu, Hawaii

APR 3 0 2015

RE: S.B. No. 17

H.D. 2 C.D. 1

Honorable Donna Mercado Kim President of the Senate Twenty-Eighth State Legislature Regular Session of 2015 State of Hawaii

Honorable Joseph M. Souki Speaker, House of Representatives Twenty-Eighth State Legislature Regular Session of 2015 State of Hawaii

Madam and Sir:

Your Committee on Conference on the disagreeing vote of the Senate to the amendments proposed by the House of Representatives in S.B. No. 17, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO REAL ESTATE SELLER DISCLOSURE,"

having met, and after full and free discussion, has agreed to recommend and does recommend to the respective Houses the final passage of this bill in an amended form.

The purpose of this measure is to clarify that the required disclosure of documents relating to restrictions or conditions, including unrecorded rules or guidelines, by a seller for residential real property that is subject to restrictions or conditions on use applies to documents relating to restrictions or conditions within a seller's actual or constructive knowledge or control and all documents subject to disclosure under section 514B-154.5, Hawaii Revised Statutes.

Your Committee on Conference finds that chapter 508D, Hawaii Revised Statutes, was amended in 2013 to, among other things, establish a uniform standard of disclosure for consumers and real estate licensees involved in planned community association,

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condominium project, and cooperative housing corporation transactions. Your Committee on Conference further finds that this measure is intended to clarify the required disclosure of documents by a seller for residential real property that is subject to restrictions or conditions on use.

Your Committee on Conference has amended this measure by:

- (1) Clarifying that the required disclosure of documents by a seller for residential real property that is subject to restrictions or conditions on use applies to documents relating to restrictions or conditions in a manner consistent with and subject to the seller's duty of good faith as provided for under section 508D-9, Hawaii Revised Statutes; and
- (2) Updating the purpose section.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 17, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 17, H.D. 2, C.D. 1.

Respectfully submitted on behalf of the managers:

ON THE PART OF THE HOUSE

ON THE PART OF THE SENATE

ANGUS L.K. MCKELVEY, Co-Chair

KARL RHOADS, Co-Chair

DOCALANT H BAKED Chair

Hawaii State Legislature

CCR 12

Record of Votes of a Conference Committee

Bill / Concurrent Resolution No.: SB 17, HD 2					Date/Time: 10:25A				
The recommendation of the House and Senate managers is to pass with amendments (CD).									
The Committee is reconsidering its previous decision.									
The recommendation of the Senate Manager(s) is to AGREE to the House amendments made to the Senate Measure					The recommendation of the House Manager(s) is to AGREE to the Senate amendments made to the House Measure.				
Senate Managers	A	WR	N	Е	House Managers	A	WR	N	Е
BAKER, Rosalyn H., Chr.	V				MCKELVEY, Angus L.K., Co-Chr.	V			
TANIGUCHI, Brian T.				/	RHOADS, Karl, Co-Chr.	V			
SLOM, Sam	V				WOODSON, Justin H.	V			
					MCDERMOTT, Bob				
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TOTAL	2			1	TOTAL	3			1
A = Aye $WR = Aye$ with Reservation				s $N = Nay$	E = Exc	cused	<u></u>		
					House Recommendation is:				
Adopted					Adopted				
Senate Lead Chair's or Designee's Signature:					House Lead Chair's or Designee's Signature:				
Charact Il Bel					All				
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